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4044

FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT

**HOUMA-TERREBONNE
HOUSING AUTHORITY**

SEPTEMBER 30, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4/21/10

Houma-Terrebonne Housing Authority

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Houma-Terrebonne Housing Authority

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Houma-Terrebonne Housing Authority

We have audited the accompanying basic financial statements of Houma-Terrebonne Housing Authority as of and for the year ended September 30, 2009, as listed in the table of contents. These basic financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Houma-Terrebonne Housing Authority as of September 30, 2009, and the changes in financial position and cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated March 22, 2010, on our consideration of the Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 6 through 11 is not a required part of the basic financial statements, but is supplementary information required by accounting principles generally accepted in the United States of America and the Governmental Accounting Standards Board. We have applied certain limited procedures that consisted principally of



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inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and we express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Houma-Terrebonne Housing Authority taken as a whole. The accompanying supplemental information on pages 36 through 51, including the schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and the Financial Data Schedule required by the U.S. Department of Housing and Urban Development, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Reznick Group, P.C.

Charlotte, North Carolina
March 22, 2010

Houma-Terrebonne Housing Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS

September 30, 2009

The management's discussion and analysis of the Houma-Terrebonne Housing Authority's financial performance provides an overview of the Authority's financial activities for the fiscal year ended September 30, 2009. Please read it in conjunction with the financial statements, which begin on page 12.

FINANCIAL HIGHLIGHTS

- The assets of the Authority exceeded its liabilities at September 30, 2009 by approximately \$13,317,000 (net assets), an increase of 24.4 percent from September 30, 2008.
- The Authority's unrestricted cash balance at September 30, 2009 was approximately \$462,000, representing a decrease of approximately \$741,000, or 61.6 percent, from September 30, 2008.
- The Authority had total revenue of approximately \$9,423,000 and total expenses of approximately \$6,814,000 for the year ended September 30, 2009.
- Net assets increased by approximately \$2,609,000 for the year.
- The Authority's capital asset additions for the year were approximately \$4,969,000.

USING THIS ANNUAL REPORT

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: (1) fund financial statements, and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Authority is a special-purpose government engaged only in a business-type activity. Accordingly, only fund financial statements are presented as the basic financial statements.

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private sector business.

The *balance sheet* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating, or otherwise changing in a dramatic manner.

Houma-Terrebonne Housing Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2009

The *statement of revenue, expenses and changes in net assets* presents information detailing how the Authority's net assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, (e.g., depreciation and earned but unused vacation leave).

The *statement of cash flows* provides information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

These financial statements report on the functions of the Authority that are principally supported by intergovernmental revenues. The Authority's function is to provide decent, safe, and sanitary housing to low-income and special needs populations, which is primarily funded with grant revenue received from the U.S. Department of Housing and Urban Development (HUD) and the Federal Emergency Management Agency (FEMA), an agency of the U.S. Department of Homeland Security.

MAJOR PROGRAMS

The Authority has many programs that are consolidated into a single enterprise fund. The major programs consist of the following:

Low- Income Public Housing - Under the Conventional Public Housing Program, the Authority rents units it owns to low-income families. The Conventional Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an Operating Subsidy to enable the Authority to provide housing at a rent that is based upon 30 percent of adjusted gross household income.

Capital Fund Program (CFP) - The Conventional Public Housing Program also included the CFP which is the primary funding source for the Authority's physical and management improvements. CFP funding is based on a formula allocation that takes into consideration the size and age of the Authority's housing stock.

Public Assistance (PA) Grant Program - Through the PA Program, FEMA provides supplemental Federal disaster grant assistance for debris removal, emergency temporary protective measures, and the stabilization of disaster-damaged, publicly owned facilities.

Houma-Terrebonne Housing Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2009

FINANCIAL ANALYSIS

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely an enterprise fund which is a proprietary fund type. The financial statements can be found on pages 12 through 17 of this report.

Notes to the Financial Statements

Notes provide additional information essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found on pages 18 through 29 of this report.

Houma-Terrebonne Housing Authority
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
September 30, 2009

Balance Sheets

The following table represents the condensed Balance Sheets as of September 30, 2009 and 2008:

	2009	2008
CURRENT ASSETS	\$ 2,240,734	\$ 2,211,018
CAPITAL ASSETS	14,153,227	11,916,004
Total assets	<u>\$ 16,393,961</u>	<u>\$ 14,127,022</u>
CURRENT LIABILITIES	\$ 890,557	\$ 930,709
LONG - TERM LIABILITIES	2,185,980	2,488,237
Total liabilities	<u>3,076,537</u>	<u>3,418,946</u>
NET ASSET		
Invested in capital assets, net of related liabilities	11,708,315	9,192,042
Unrestricted net assets	1,609,109	1,516,034
Total net assets	<u>13,317,424</u>	<u>10,708,076</u>
Total liabilities and net assets	<u>\$ 16,393,961</u>	<u>\$ 14,127,022</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by approximately \$13,317,000 at September 30, 2009 and \$10,708,000 at September 30, 2008.

By far the largest portion of the Authority's net assets reflects its investments in capital assets (e.g., buildings, machinery, and equipment). The Authority uses these capital assets to provide housing services to residents; consequently, these assets are not available for future spending. The unrestricted net assets of the Authority are available for future use to provide program services.

Houma-Terrebonne Housing Authority

MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED

September 30, 2009

Statements of Revenues, Expenses, and Changes in Net Assets

The following table reflects the condensed Statements of Revenues, Expenses, and Changes in Net Assets for the years ended September 30, 2009 and September 30, 2008:

	2009	2008
Net tenant rental revenue	\$ 646,816	\$ 1,399,900
HUD operating grants	4,742,822	1,759,853
FEMA operating grants	310,110	-
HUD capital grants	3,473,095	527,550
FEMA capital grants	44,250	-
Other revenue	206,144	133,145
Total revenue	9,423,237	3,820,448
Operating expenses	2,546,598	2,764,401
Depreciation expense	1,171,429	1,127,119
Interest expense	143,959	158,802
Loss on impairment of fixed assets, net of insurance proceeds	148,644	-
Hurricane related expenses	2,803,259	-
Total expenses	6,813,889	4,050,322
Net increase (decrease)	2,609,348	(229,874)
Net assets - beginning of year	10,708,076	10,937,950
Net assets - ending of year	<u>\$ 13,317,424</u>	<u>\$ 10,708,076</u>

The net assets of the Authority increased by approximately \$2,609,000 during the year ended September 30, 2009 and decreased by \$230,000 during the year ended September 30, 2008. The Authority's revenues are largely governmental revenues received from cost reimbursement grants. The Authority draws down monies from the grants' awards for allowable program expenses, except for non-cash transactions, such as depreciation expense and changes in compensated absences.

Houma-Terrebonne Housing Authority
MANAGEMENT'S DISCUSSION AND ANALYSIS - CONTINUED
September 30, 2009

CAPITAL ASSETS

As of September 30, 2009 and 2008, the Authority's investment in capital assets for its business-type activity was approximately \$14,153,000 and \$11,916,000 (net of accumulated depreciation), respectively, as reflected in the following schedule:

	2009	2008
Land	\$ 608,371	\$ 608,371
Buildings and improvements	37,930,033	34,538,345
Furniture and equipment - dwelling	344,133	363,060
Furniture and equipment - administrative	504,971	499,248
Accumulated depreciation	<u>(25,234,281)</u>	<u>(24,093,020)</u>
Total	<u>\$ 14,153,227</u>	<u>\$ 11,916,004</u>

Major capital asset purchases during the year ended September 30, 2009 and 2008 include dwelling structure improvements and, during the year ended September 20, 3009, are primarily attributable to replacing dwelling structures damaged by Hurricanes Gustav and Ike.

Additional information on the Authority's capital assets can be found in Note 6 on page 26 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Authority is primarily dependent upon HUD for the funding of operations; therefore, the Authority is affected more by the Federal budget than by local economic conditions. The budgets for 2009 through 2010 have already been approved by HUD.

FUTURE EVENTS THAT WILL FINANCIALLY IMPACT THE AUTHORITY

During the years ended September 30, 2009 and 2008, approximately 90 and 60 percent, respectively, of the Authority's revenues come from governmental grants.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Houma-Terrebonne Housing Authority, 7491 Park Avenue, Houma, LA 70364, or call (985) 876-4755.

Houma-Terrebonne Housing Authority

BALANCE SHEET

September 30, 2009

ASSETS

CURRENT ASSETS

Cash and cash equivalents - unrestricted	\$ 461,911
Cash and cash equivalents - restricted	57,600
Investments	436,972
Accounts receivable - tenants	3,470
Accounts receivable - HUD	1,119,566
Accounts receivable - FEMA	31,313
Interest receivable	1,034
Prepaid expenses	<u>128,868</u>
Total current assets	<u>2,240,734</u>

CAPITAL ASSETS

Land	608,371
Buildings and improvements	37,930,033
Furniture, equipment and machinery - dwelling	344,133
Furniture, equipment and machinery - administration	<u>504,971</u>
	39,387,508
Less: Accumulated depreciation	<u>(25,234,281)</u>
Total capital assets	<u>14,153,227</u>
Total assets	<u><u>\$ 16,393,961</u></u>

(continued)

Houma-Terrebonne Housing Authority

BALANCE SHEET - CONTINUED

September 30, 2009

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$ 491,265
Accrued expenses	22,979
Accrued interest payable	1,478
Deferred revenue	7,486
Other current liabilities	5,863
Accrued compensated absences - current portion	8,990
Tenant security deposits	57,600
Current portion of obligation under capital lease	<u>294,896</u>
Total current liabilities	<u>890,557</u>

LONG-TERM LIABILITIES

Obligation under captial lease - net of current portion	2,150,016
Accrued compensated absenses - net of current portion	<u>35,964</u>
Total long-term liabilities	<u>2,185,980</u>
Total liabilities	<u>3,076,537</u>

NET ASSETS

Invested in capital assets, net of related debt	11,708,315
Unrestricted	<u>1,609,109</u>
Total net assets	<u>13,317,424</u>
Total liabilities and net assets	<u>\$ 16,393,961</u>

See notes to financial statements

Houma-Terrebonne Housing Authority
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS

Year ended September 30, 2009

OPERATING REVENUE	
Dwelling rent	\$ 646,816
HUD operating grants	4,742,822
FEMA operating grants	310,110
Other income	<u>114,818</u>
Total operating revenue	<u>5,814,566</u>
OPERATING EXPENSES	
Administrative	620,685
Tenant services	121,979
Utilities	561,956
Maintenance and operations	685,370
Protective services	49,485
General	124,919
Insurance premiums	376,132
Depreciation	<u>1,171,429</u>
Total operating expense	<u>3,711,955</u>
Operating income (loss)	<u>2,102,611</u>
NON-OPERATING REVENUE (EXPENSES)	
Interest income	16,326
Interest expense	(143,959)
Loss on disposition of capital assets	(6,072)
Loss on impairment of fixed assets, net of insurance proceeds	(148,644)
Hurricane related expenses	(2,803,259)
Donated property	<u>75,000</u>
Total non-operating revenue (expenses)	<u>(3,010,608)</u>
Income (loss) before capital grants	<u>(907,997)</u>
CAPITAL GRANTS	
HUD capital grants	3,473,095
FEMA capital grants	<u>44,250</u>
Total capital grants	<u>3,517,345</u>
Change in net assets	2,609,348
Net assets - beginning	10,708,076
Prior period adjustment	<u>-</u>
Net assets - beginning, as restated	<u>10,708,076</u>
Net assets - ending	<u><u>\$ 13,317,424</u></u>

See notes to financial statements

Houma-Terrebonne Housing Authority

STATEMENT OF CASH FLOWS

Year ended September 30, 2009

Cash flows from operating activities	
Dwelling rent receipts	\$ 643,033
Operating subsidy and grant receipts	4,648,435
Other income receipts	<u>114,818</u>
Total receipts	<u>5,406,286</u>
Payments to vendors	(1,323,507)
Payments to employees	<u>(821,617)</u>
Total disbursements	<u>(2,145,124)</u>
Net cash provided by operating activities	<u>3,261,162</u>
Cash flows from investing activities	
Increase in investments	(10,436)
Investment income	<u>16,834</u>
Net cash provided by investing activities	<u>6,398</u>

(continued)

Houma-Terrebonne Housing Authority

STATEMENT OF CASH FLOWS - CONTINUED

Year ended September 30, 2009

Cash flows from capital and related financing activities	
Capital grant receipts	2,699,340
Capital asset additions	(4,894,184)
Capital asset dispositions	687
Interest paid	(144,127)
Insurance proceeds	1,405,129
Disaster restoration expenditures	(2,803,259)
Decrease in obligation under capital lease	<u>(279,050)</u>
Net cash used by capital and related financing activities	<u>(4,015,464)</u>
 NET DECREASE IN CASH	 (747,904)
 Cash and cash equivalents, beginning	 <u>1,267,415</u>
 Cash and cash equivalents, ending	 <u><u>\$ 519,511</u></u>

Supplementary schedule of non-cash investing, capital and financing transactions:

During the year ended September 30, 2009, the Authority wrote down impaired capital assets, disposed of capital assets, and received donated property which added (reduced) total capital assets:

Impairment of capital assets	\$ (1,553,773)
Disposition of capital assets	(6,759)
Donated property	<u>75,000</u>
	<u><u>\$ (1,485,532)</u></u>

(continued)

Houma-Terrebonne Housing Authority

STATEMENT OF CASH FLOWS - CONTINUED

Year ended September 30, 2009

Reconciliation of operating income to net cash provided by operating activities	
Operating income	<u>\$ 2,102,611</u>
Adjustments to reconcile operating income to net cash provided by operating activities	
Depreciation	1,171,429
Changes in asset and liability accounts	
(Increase) decrease in assets	
Accounts receivable - tenants	23,115
Accounts receivable - HUD	84,189
Accounts receivable - other government	(31,313)
Prepaid expenses	(25,678)
Increase (decrease) in liabilities	
Accounts payable	434,815
Accrued expenses	(4,653)
Tenant security deposits	(7,050)
Deferred revenue	(457,373)
Other current liabilities	(19,517)
Accrued compensated absences	<u>(9,413)</u>
Total adjustments	<u>1,158,551</u>
Net cash provided by operating activities	<u><u>\$ 3,261,162</u></u>

See notes to financial statements

Houma-Terrebonne Housing Authority

NOTES TO FINANCIAL STATEMENTS

September 30, 2009

NOTE 1 - ORGANIZATION

Organization

The Houma-Terrebonne Housing Authority (the Authority) was created by Act 80 of the 2001 Regular Session of the Louisiana Legislature and is the successor to the Housing Authority of the City of Houma. The Authority, a public corporate body, was organized solely for the purpose of providing decent, safe and sanitary dwelling accommodations for persons of low income.

The Authority is engaged in the acquisition, modernization and administration of low-rent housing. In addition, the Authority has administrative responsibility for various other community development programs whose primary purpose is the development of viable urban communities by providing decent housing, a suitable living environment and economic opportunities principally for persons of low and moderate income.

The Authority is administered by a five-member governing Board of Commissioners (the Board), whose members are appointed by the President of the Terrebonne Parish Consolidated Government. At least one commissioner appointed shall be a resident living in a housing development property operated by the Authority. Each member serves a five-year term on a rotating basis. Board members do not receive compensation for their service to the Authority.

A significant amount of the Authority's revenue is derived from subsidy contracts with the U.S. Department of Housing and Urban Development (HUD). The Annual Contributions Contracts entered into by the Authority and HUD provides operation subsidies for Authority-owned public housing facilities. As of September 30, 2009, the Authority operates 517 public housing units. The Authority also participates in HUD's Capital Fund Program.

The Authority also received funding from the Federal Emergency Management Agency (FEMA), an agency of the U.S. Department of Homeland Security, through its Public Assistance Grant Program. The program provides supplemental Federal disaster grant assistance for debris removal, emergency temporary protective measures, and the stabilization of disaster-damaged, publicly owned facilities.

Reporting Entity

Governmental Accounting Standards Board standards establish criteria for determining the governmental reporting entity and component units that should be included within the

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

reporting entity. Because the Authority is legally separate and fiscally independent, the Authority is a separate governmental reporting entity.

The Authority is a related organization of the Terrebonne Parish Consolidated Government since its President appoints a voting majority of the Authority's governing board. The Terrebonne Parish Consolidated Government is not financially accountable for the Authority as it cannot impose its will on the Authority and there is no potential for the Authority to provide financial benefit to, or impose financial burdens on, the Terrebonne Parish Consolidated Government. Accordingly, the Authority is not a component unit of the financial reporting entity of the Terrebonne Parish Consolidated Government.

The Authority includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the Authority.

Certain units of local government over which the Authority exercises no oversight responsibility, such as the parish police jury, school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the Authority. In addition, the accompanying financial statements do not include any various tenant associations that may exist, which are legally separate entities.

Programs Administered by the Authority

The Authority administers annual contribution contracts to provide low-income housing with primary financial support from HUD. During the year ended September 30, 2009, the Authority also received financial support from FEMA to partially subsidize the costs related to significant damage done to public housing properties as a result of Hurricanes Gustav and Ike. Programs administered by the Authority are as follows:

Low Rent Public Housing - The Authority owns, operates and maintains 517 units of Public Housing in 2 properties located in Houma, Louisiana. Under the Low Rent Housing Assistance Program, low-income tenants pay monthly rents, which are determined by their need for assistance. Revenues consist primarily of rents and other fees collected from tenants and an Operating Subsidy from HUD.

Capital Fund Programs (CFP) - Funds from the Capital Fund Program provided by HUD are used to maintain and improve the Public Housing portfolio. Substantially all additions to land structures and equipment for these properties are accomplished through the use of capital grant funds.

Houma-Terrebonne Housing Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

Public Assistance (PA) Grant Program - Through the PA Program, FEMA provides supplemental Federal disaster grant assistance for debris removal, emergency temporary protective measures, and the stabilization of disaster-damaged, publicly owned facilities.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

In accordance with both the Louisiana State Reporting Law (LAS-R.S.24:514) and the uniform financial reporting standards for HUD housing programs, the accompanying financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Fund Accounting

The Authority uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Based upon compelling reasons offered by HUD, the Authority reports under the proprietary fund type (enterprise fund). The enterprise fund emphasizes the flow of economic resources as a measurement focus. In this fund, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. Pursuant to the election option made available by GASB accounting standards, pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements.

The enterprise method is used to account for those operations that are financed and operated in a manner similar to private business, or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income necessary for management accountability is appropriate. The intent of the governing body is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through funding from HUD and charges to residents for rent and other fees.

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

All of the Authority's programs are accounted for as one business-type activity reported in a single enterprise fund.

Operating Revenues and Expenses

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Authority. Operating revenues consist of tenant rents and fees and HUD operating grants. Non-operating revenues consist of interest income and other non-operating revenues. Non-operating expenses consist of interest expense.

Budgets

The Authority is required by its HUD Annual Contributions Contracts to adopt annual budgets for the Low-Rent Housing Program. Annual budgets are not required for the Capital Fund Program grants as their budgets are approved for the length of the project. Both annual and project length budgets require grantor approval.

The Authority is under a limited budget review from HUD with the control category of total operating expenditures. If there are no overruns of the total operating expenditures, then HUD does not require budget revisions other than when there are substantial additions to non-routine expenditures.

The budget is prepared on a statutory (HUD) basis and does not contain a provision for uncollectible tenant receivables or depreciation.

Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits and other investments with original maturities of 90 days or less. Under state law, the Authority may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other State of the United States, or under the laws of the United States.

Investments

Investments are limited by Louisiana State Revised Statute R.S. 33:2955 and the Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost which approximates fair market value.

Houma-Terrebonne Housing Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

Tenant Receivables

Tenant receivables are reported net of an allowance for doubtful accounts. The Authority's estimate of the allowance is based on historical collection experience and a review of the current status of tenant accounts receivable. It is reasonably possible that management's estimate of the allowance will change.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Land, buildings, furniture, equipment, and machinery are carried at historical costs. Donated assets are recorded at fair market value at the date of donation. Depreciation is recorded on the straight-line method over the following estimated useful lives:

Buildings	33 years
Building improvements	15 years
Furniture, equipment and machinery	3 - 7 years

Impairment of Long-Lived Assets

The Authority incurred significant damage to its dwelling structures as a result of Hurricanes Gustav and Ike. In accordance with GASB No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, the Authority has, at September, 2009, recognized in the accompanying financial statements the impact of the hurricane damage. Under the provisions of the statement, prominent events or changes in circumstances affecting capital assets are required to be evaluated to determine whether impairment of a capital asset has occurred. Impaired capital assets that will no longer be used should be reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally should be measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written off.

For the year ended September 30, 2009, as a result of significant damage to its dwelling structures from Hurricanes Gustav and Ike, the Authority recognized a net impairment loss of \$148,644, which includes write down of capital assets of \$1,553,773 net of related insurance proceeds of \$1,405,129.

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

Deferred Revenues

The Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Authority before it has legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

Compensated Absences

The Authority employees accrue personal leave, or compensated absences, by a prescribed formula based on length of service.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 3 - CASH AND INVESTMENTS

Cash Equivalents

It is the Authority's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance.

Investments

Investments consist of certificates of deposits. It is the policy of the Authority that investments be secured by collateral valued at market or par, whichever is lower, less the amount of FDIC insurance.

Risks

Custodial Credit Risk - This is the risk that in the event of a bank failure, the Authority's deposits and investments may not be returned to it. As of September 30, 2009, \$400,416 of the Authority's deposits and investments were exposed to this risk because the amounts were

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

in excess of FDIC insurance limits and the accounts were collateralized with securities held by the pledging financial institution in the Authority's name. The Authority's procedures for protecting the value of its investments by having uninsured deposits fully secured by obligations of the U.S. government and its agencies are in accordance with HUD and state policies. The following schedule summarizes the custodial credit risk:

	Balance Reported on the Authority's Financial Statements	Balance Deposited with the Financial Institution	FDIC Insurance	Uninsured Amount (Fully Collateralized)
Bank deposits	\$ 519,511	\$ 550,925	\$ 250,000	\$ 300,925
Certificates of deposit	<u>436,972</u>	<u>436,971</u>	<u>337,480</u>	<u>99,491</u>
Total	<u>\$ 956,483</u>	<u>\$ 987,896</u>	<u>\$ 587,480</u>	<u>\$ 400,416</u>

Cash and investments are reported on the balance sheet as follows:

Cash and cash equivalents - unrestricted	\$ 461,911
Cash and cash equivalents - restricted	<u>57,600</u>
Total cash and cash equivalents	519,511
Investments	<u>436,972</u>
Total	<u>\$ 956,483</u>

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2009

NOTE 4 - RECEIVABLES

The receivables at September 30, 2009, are as follows:

<u>Class of Receivables</u>	<u>Low Rent Program</u>	<u>Capital Fund Program</u>	<u>FEMA Public Assistance Grant Program</u>	<u>Total</u>
Local sources:				
Tenants	\$ 14,563	\$ -	\$ -	\$ 14,563
Less allowance for doubtful accounts	(11,093)	-	-	(11,093)
	3,470	-	-	3,470
Federal sources:				
Due from HUD	-	1,119,566	-	1,119,566
Due from FEMA	-	-	31,313	31,313
Total	<u>\$ 3,470</u>	<u>\$ 1,119,566</u>	<u>\$ 31,313</u>	<u>\$ 1,154,349</u>

NOTE 5 - DEFERRED REVENUE

As of September 30, 2009, deferred revenue consisted of prepaid tenant rents of \$6,941 and deferred low rent operating grant revenues of \$545.

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

NOTE 6 - CAPITAL ASSETS

The following is a summary of changes in capital assets during the fiscal year ended September 30, 2009:

	Balance 9/30/2008	Additions	Deletions	Balance 9/30/2009
Land	\$ 608,371	\$ -	\$ -	\$ 608,371
Buildings and improvements	34,538,345	4,945,461	(1,553,773)	37,930,033
Furniture, equipment and machinery-				
Dwelling	363,060	-	(18,927)	344,133
Administration	499,248	23,723	(18,000)	504,971
Total	36,009,024	4,969,184	(1,590,700)	39,387,508
Accumulated depreciation	(24,093,020)	(1,171,429)	30,168	(25,234,281)
Capital assets - net	<u>\$ 11,916,004</u>	<u>\$ 3,797,755</u>	<u>\$ (1,560,532)</u>	<u>\$ 14,153,227</u>

NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses at September 30, 2009, are as follows:

	Low Rent	Capital Fund Program	Business Activities	Total
Accounts payable				
Vendors	\$ 266,204	\$ 224,828	\$ 233	\$ 491,265
Accrued expenses				
Payroll	22,979	-	-	22,979
Other current liabilities				
Accrued utilities	5,863	-	-	5,863
Total	<u>\$ 295,046</u>	<u>\$ 224,828</u>	<u>\$ 233</u>	<u>\$ 520,107</u>

NOTE 8 - CAPITAL LEASE

The Authority financed certain improvements to its facilities via a long-term capital lease. These improvements were made to improve energy efficiency and management. The lease requires 3 initial interest-only payments and 48 quarterly principal and interest payments of \$105,795. The outstanding portion of this lease is reported as a capital lease obligation. The final maturity date is September 26, 2016.

Houma-Terrebonne Housing Authority

NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

The cost of the assets under capital lease is \$3,699,498 and accumulated depreciation at September 30, 2009 is \$1,356,483. Depreciation expense of assets under capital lease is included in depreciation expense.

Future minimum payments under the capital lease of September 30, 2009, for the following five years and thereafter, are as follows:

2010	\$ 423,178
2011	423,178
2012	423,178
2013	423,178
2014	423,178
2015-2016	<u>846,356</u>
Total minimum payments	2,962,246
Less amount representing interest	<u>517,334</u>
Present value of net minimum lease payments	<u><u>\$ 2,444,912</u></u>

The obligation under the capital lease is shown on the balance sheet as follows:

Current portion	\$ 294,896
Long-term portion	<u>2,150,016</u>
	<u><u>\$ 2,444,912</u></u>

NOTE 9 - RETIREMENT PLAN

The Authority provides retirement benefits for all of its full-time employees through a defined contribution plan administered by the Housing Agency Retirement Trust. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Full-time and part-time employees are required to participate after six months of continuous and uninterrupted employment and no longer being in probationary status. The employee may contribute 3 percent and the Authority contributes 3 percent of the participating employee's base salary each month. The Authority's contributions for each employee, and interest allocated to the employee's account, begin vesting after 3 years and are fully vested after 7 years of participation.

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED
September 30, 2009

The Authority's total payroll during the year ended September 30, 2009 was \$807,551. The Authority's contributions were calculated using the base salary amount of approximately \$585,000. Contributions to the plan were \$17,141 by both the employees and the Authority.

NOTE 10 - INTER-PROGRAM EXPENSES

The following amounts from the Financial Data Schedules have been eliminated in preparing the basic financial statements:

Property management fees	\$ 393,234
Bookkeeping fees	46,515
Asset management fees	62,040

NOTE 11 - RISK MANAGEMENT

The Authority is subject to the normal risks associated with rental and business activities and purchases insurance to protect against the risk of loss.

NOTE 12 - FEDERAL COMPLIANCE CONTINGENCIES

The Authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the Authority in the current and prior years. These examinations may result in required refunds by the Authority to federal grantors and/or program beneficiaries.

NOTE 13 - ECONOMIC DEPENDENCY

The Authority is economically dependent upon annual contributions and grants from HUD. For the year ended September 30, 2009, HUD provided approximately 87 percent of the Authority's revenue. If the amount of revenues received from HUD falls below critical levels, the Authority's operating results could be adversely affected.

NOTE 14 - DONATED PROPERTY

In January 2009, the Authority received donated property from the Terrebonne Parish Consolidated Government. The property is a single-family home in Chauvin, LA. The donation is subject to an Intergovernmental Agreement which, among other conditions, requires the Authority to use the property to provide housing for low- to moderate-income families for a period of 10 years. The donation has been recorded at the Authority's estimate of fair value and recorded as revenue.

Houma-Terrebonne Housing Authority
NOTES TO FINANCIAL STATEMENTS - CONTINUED

September 30, 2009

NOTE 15 – HURRICANE RELATED EXPENSES

During August and September 2008, the Authority incurred significant damage to its public housing properties as a result of Hurricanes Gustav and Ike. During the year ended September 30, 2009, non-capitalizable expenses related to the cleanup, debris removal, and other costs related to the hurricane damage totaled \$2,803,259 and have been presented as hurricane related expenses in the Statement of Revenue, Expenses, and Changes in Net Assets.

NOTE 16 - SUBSEQUENT EVENTS

Events that occur after the balance sheet date but before the financial statements are issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the balance sheet date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through March 22, 2010 and concluded that no subsequent events have occurred that would require recognition in the Financial Statements or disclosure in the Notes to the Financial Statements.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Houma-Terrebonne Housing Authority

We have audited the basic financial statements of Houma-Terrebonne Housing Authority as of and for the year ended September 30, 2009, and have issued our report thereon dated March 22, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered Houma-Terrebonne Housing Authority's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles, such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.



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Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Houma-Terrebonne Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of Houma-Terrebonne Housing Authority in a separate letter dated March 22, 2010.

This report is intended solely for the information and use of the Board of Commissioners, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Reznick Group, P.C.

Charlotte, North Carolina
March 22, 2010



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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER
COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

To the Board of Directors
Houma-Terrebonne Housing Authority

Compliance

We have audited the compliance of Houma-Terrebonne Housing Authority with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended September 30, 2009. Houma-Terrebonne Housing Authority's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Houma-Terrebonne Housing Authority's management. Our responsibility is to express an opinion on Houma-Terrebonne Housing Authority's compliance based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Houma-Terrebonne Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Houma-Terrebonne Housing Authority's compliance with those requirements.

In our opinion, Houma-Terrebonne Housing Authority complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended September 30, 2009.

Internal Control over Compliance

The management of Houma-Terrebonne Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Houma-Terrebonne Housing Authority's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control over compliance.

A control deficiency in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Reznick Group, P.C.

Charlotte, North Carolina
March 22, 2010

Houma-Terrebonne Housing Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended September 30, 2009

Summary of Auditors' Results

1. The auditors' report expresses an unqualified opinion on the basic financial statements of Houma-Terrebonne Housing Authority.
2. No significant deficiencies or material weaknesses in internal controls were identified during the audit of the basic financial statements.
3. No instances of noncompliance material to the basic financial statements of Houma-Terrebonne Housing Authority were disclosed during the audit.
4. No significant deficiencies or material weaknesses in internal controls were identified during the audit of the major federal award programs.
5. The auditors' report on compliance for the major federal award programs for Houma-Terrebonne Housing Authority expresses an unqualified opinion.
6. There were no findings or questioned costs required to be reported under Section 510(a) of OMB Circular A-133.
7. The programs tested as major programs include:
 - CFDA #14.850 Low-Income Public Housing
 - CFDA #14.872 Capital Fund Program
 - CFDA #97.036 Public Assistance Grant Program
8. The threshold for distinguishing Type A and B programs was \$300,000.
9. Houma-Terrebonne Housing Authority was determined to be a low-risk auditee.

Findings - Financial Statement Audit

None.

Findings and Questioned Costs - Major Federal Awards Program Audit

None.

SUPPLEMENTAL INFORMATION

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
BALANCE SHEET ACCOUNTS

September 30, 2009

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
ASSETS:							
CURRENT ASSETS:							
Cash:							
111	Cash - Unrestricted	\$ 192,513	\$ -	\$ 269,398	\$ 461,911	\$ -	\$ 461,911
114	Cash - Tenant Security Deposits	57,600	-	-	57,600	-	57,600
100	Total Cash	250,113	-	269,398	519,511	-	519,511
Accounts and Notes Receivables:							
122.2	Accounts Receivable - HUD Other Projects - CFP	1,119,566	-	-	1,119,566	-	1,119,566
122	Accounts Receivable - HUD Other Projects	1,119,566	-	-	1,119,566	-	1,119,566
124	Accounts Receivable - Other Government	-	31,313	-	31,313	-	31,313
126	Accounts Receivable - Tenants - Dwelling Rents	14,563	-	-	14,563	-	14,563
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(11,093)	-	-	(11,093)	-	(11,093)
128	Fraud Recovery	4,060	-	-	4,060	-	4,060
128.1	Allowance for Doubtful Accounts - Fraud	(4,060)	-	-	(4,060)	-	(4,060)
129	Accrued Interest Receivable	917	-	117	1,034	-	1,034
120	Total Receivables, Net of Allowances for Doubtful Accounts	1,123,953	31,313	117	1,155,383	-	1,155,383
Current Investments:							
131	Investments - Unrestricted	387,606	-	49,366	436,972	-	436,972
142	Prepaid Expenses and Other Assets	126,149	-	2,719	128,868	-	128,868
144	Interprogram Due From	325,745	-	21,047	346,792	(346,792)	-
150	TOTAL CURRENT ASSETS	2,213,566	31,313	342,647	2,587,526	(346,792)	2,240,734
NONCURRENT ASSETS:							
Fixed Assets:							
161	Land	608,371	-	-	608,371	-	608,371
162	Buildings	37,524,855	119,250	-	37,644,105	-	37,644,105
163	Furniture, Equipment & Machinery - Dwellings	344,133	-	-	344,133	-	344,133
164	Furniture, Equipment & Machinery - Administration	481,343	-	23,628	504,971	-	504,971
166	Accumulated Depreciation	(25,209,379)	(4,086)	(20,816)	(25,234,281)	-	(25,234,281)
168	Infrastructure	285,928	-	-	285,928	-	285,928
160	Total Fixed Assets, Net of Accumulated Depreciation	14,035,251	115,164	2,812	14,153,227	-	14,153,227
180	TOTAL NONCURRENT ASSETS	14,035,251	115,164	2,812	14,153,227	-	14,153,227
190	TOTAL ASSETS	\$ 16,248,817	\$ 146,477	\$ 345,459	\$ 16,740,753	\$ (346,792)	\$ 16,393,961

(continued)

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
BALANCE SHEET ACCOUNTS - CONTINUED

September 30, 2009

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
LIABILITIES AND NET ASSETS:							
LIABILITIES:							
CURRENT LIABILITIES:							
312	Accounts Payable <= 90 Days	\$ 484,080	\$ 233	\$ 6,952	\$ 491,265	\$ -	\$ 491,265
321	Accrued Wage/Payroll Taxes Payable	14,710	-	8,269	22,979	-	22,979
322	Accrued Compensated Absences - Current Portion	6,286	-	2,704	8,990	-	8,990
325	Accrued Interest Payable	1,478	-	-	1,478	-	1,478
341	Tenant Security Deposits	57,600	-	-	57,600	-	57,600
342.1	Deferred Revenue - Operating Subsidy	7,486	-	-	7,486	-	7,486
342	Deferred Revenues	7,486	-	-	7,486	-	7,486
343.2	Capital Projects/Mortgage Revenue	294,896	-	-	294,896	-	294,896
343	Current Portion of Long-Term Debt - Capital Projects	294,896	-	-	294,896	-	294,896
346	Accrued Liabilities - Other	5,830	-	33	5,863	-	5,863
347	Interprogram Due To	294,432	52,360	-	346,792	(346,792)	-
310	TOTAL CURRENT LIABILITIES	1,166,798	52,593	17,958	1,237,349	(346,792)	890,557
NONCURRENT LIABILITIES:							
351.2	Long-term - Capital Projects	2,150,016	-	-	2,150,016	-	2,150,016
351	Long-Term Debt - Capital Projects	2,150,016	-	-	2,150,016	-	2,150,016
354	Accrued Compensated Absences - Non Current	25,147	-	10,817	35,964	-	35,964
350	TOTAL NONCURRENT LIABILITIES	2,175,163	-	10,817	2,185,980	-	2,185,980
300	TOTAL LIABILITIES	3,341,961	52,593	28,775	3,423,329	(346,792)	3,076,537
NET ASSETS:							
Contributed Capital:							
508.1	Invested in Capital Assets, Net of Related Debt	11,590,339	115,164	2,812	11,708,315	-	11,708,315
512.1	Reserved Fund Balance:	1,316,517	(21,280)	313,872	1,609,109	-	1,609,109
513	Unrestricted Net Assets	12,906,856	93,884	316,684	13,317,424	-	13,317,424
600	TOTAL LIABILITIES AND NET ASSETS	\$ 16,248,817	\$ 146,477	\$ 345,459	\$ 16,740,753	\$ (346,792)	\$ 16,393,961

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS

Year ended September 30, 2009

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
REVENUE:							
703	Net Tenant Rental Revenue	\$ 646,816	\$ -	\$ -	\$ 646,816	\$ -	\$ 646,816
704	Tenant Revenue - Other	74,311	-	-	74,311	-	74,311
705	Total Tenant Revenue	721,127	-	-	721,127	-	721,127
706	HUD PHA Grants	4,742,822	-	-	4,742,822	-	4,742,822
706.1	Capital Grants	3,473,095	-	-	3,473,095	-	3,473,095
707.1	Management Fee	-	-	393,234	393,234	(393,234)	-
707.2	Asset Management Fee	-	-	62,040	62,040	(62,040)	-
707.3	Book-keeping fee	-	-	46,515	46,515	(46,515)	-
708	Other Governmental Grants	-	354,360	-	354,360	-	354,360
711	Investment Income - Unrestricted	14,432	-	1,894	16,326	-	16,326
714	Fraud Recovery	1,225	-	-	1,225	-	1,225
715	Other Revenue	37,534	-	1,748	39,282	-	39,282
716	Gain/Loss on Sale of Fixed Assets	(6,072)	-	-	(6,072)	-	(6,072)
700	TOTAL REVENUE	8,984,163	354,360	505,431	9,843,954	(501,789)	9,342,165
EXPENSES:							
Administrative:							
911	Administrative Salaries	97,311	-	222,948	320,259	-	320,259
912	Auditing Fees	28,191	-	6,084	34,275	-	34,275
913	Management Fee	393,234	-	-	393,234	(393,234)	-
913.1	Book-keeping Fee	46,515	-	-	46,515	(46,515)	-
915	Employee Benefit Contributions - Administrative	25,165	-	51,729	76,894	-	76,894
916	Other Operating - Administrative	54,497	-	30,778	85,275	-	85,275
917	Legal Expense	13,903	500	6,263	20,670	-	20,670
918	Travel	15,008	-	7,226	22,234	-	22,234
919	Other	11,257	-	59,820	71,077	-	71,077
910	Total Operating - Administrative	685,083	500	374,851	1,060,434	(439,749)	620,685
920	Asset Management Fees	62,040	-	-	62,040	(62,040)	-
Tenant Services:							
921	Tenant Services - Salaries	85,878	-	-	85,878	-	85,878
922	Relocation Costs	258	-	-	258	-	258
923	Employee Benefit Contributions - Tenant Services	29,168	-	-	29,168	-	29,168
924	Tenant Services - Other	6,675	-	-	6,675	-	6,675
925	Total Tenant Services	121,979	-	-	121,979	-	121,979
Utilities:							
931	Water	78,587	-	184	78,771	-	78,771
932	Electricity	350,721	-	1,097	351,818	-	351,818
933	Gas	55,206	-	94	55,300	-	55,300
936	Sewer	75,883	-	184	76,067	-	76,067
930	Total Utilities	560,397	-	1,559	561,956	-	561,956

(continued)

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS - CONTINUED

Year ended September 30, 2009

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Ordinary Maintenance & Operation:							
941	Ordinary Maintenance & Operation - Labor	225,785	444	-	226,229	-	226,229
942	Ordinary Maintenance & Operation - Materials & Other	89,982	283	752	91,017	-	91,017
943.1	Ordinary Maintenance & Operations Contracts - Garbage and Trash	54,631	-	122	54,753	-	54,753
943.2	Ordinary Maintenance & Operations Contracts - Heating & Cooling	71,458	-	-	71,458	-	71,458
943.4	Ordinary Maintenance & Operations Contracts - Elevator Maintenance	37,921	-	-	37,921	-	37,921
943.5	Ordinary Maintenance & Operations Contracts - Landscape & Grounds	9,000	-	-	9,000	-	9,000
943.7	Ordinary Maintenance & Operations Contracts - Electrical	14,880	458	-	15,338	-	15,338
943.8	Ordinary Maintenance & Operations Contracts - Plumbing	18,248	-	-	18,248	-	18,248
943.9	Ordinary Maintenance & Operations Contracts - Extermination	7,340	90	-	7,430	-	7,430
943.10	Ordinary Maintenance & Operations Contracts - Janitorial	3,425	-	-	3,425	-	3,425
943.12	Ordinary Maintenance & Operations Contracts - Misc Contracts	62,101	19,327	-	81,428	-	81,428
943	Ordinary Maintenance & Operations - Contracts	279,004	19,875	122	299,001	-	299,001
945	Employee Benefit Contributions - Ordinary Maintenance	69,088	35	-	69,123	-	69,123
940	Total Maintenance	663,859	20,637	874	685,370	-	685,370
Protective Services:							
952	Protective Services - Other Contract Costs	49,485	-	-	49,485	-	49,485
950	Total Protective Services	49,485	-	-	49,485	-	49,485
Insurance Premiums:							
961.1	Property Insurance	51,772	-	156	51,928	-	51,928
961.2	Liability Insurance	16,191	-	49	16,240	-	16,240
961.3	Workmen's Compensation	30,290	-	11,169	41,459	-	41,459
961.4	All Other Insurance	257,834	-	8,671	266,505	-	266,505
961	Total Insurance Premiums	336,087	-	20,045	376,132	-	376,132
General Expenses:							
962	Other General Expenses	12,996	143	5,234	18,373	-	18,373
962.1	Compensated Absences	70,931	-	15,767	86,698	-	86,698
964	Bad Debt - Tenant Rents	19,848	-	-	19,848	-	19,848
960	Total Other General Expenses	103,775	143	21,001	124,919	-	124,919

(continued)

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS - CONTINUED

Year ended September 30, 2009

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Interest Expense and Amortization Cost:							
967.1	Interest of Mortgage (or Bonds) Payable	143,959	-	-	143,959	-	143,959
967	Total Interest Expense and Amortization Cost	143,959	-	-	143,959	-	143,959
969	TOTAL OPERATING EXPENSES	2,746,664	21,280	418,330	3,186,274	(501,789)	2,684,485
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	6,237,499	333,080	87,101	6,657,680	-	6,657,680
Other Expenses:							
974	Depreciation Expense	1,166,357	4,086	986	1,171,429	-	1,171,429
940	Total Maintenance	1,166,357	4,086	986	1,171,429	-	1,171,429
900	TOTAL EXPENSES	3,913,021	25,366	419,316	4,357,703	(501,789)	3,855,914
Other Financing Sources (Uses)							
1001	Operating Transfers In	2,947,723	-	-	2,947,723	-	2,947,723
1002	Operating Transfers Out	(2,947,723)	-	-	(2,947,723)	-	(2,947,723)
1007	Extraordinary Items (net gain/loss)	(2,641,793)	(310,110)	-	(2,951,903)	-	(2,951,903)
1008	Special Items (net gain/loss)	-	75,000	-	75,000	-	75,000
1010	Total Other Financing Sources (Uses)	(2,641,793)	(235,110)	-	(2,876,903)	-	(2,876,903)
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 2,429,349	\$ 93,884	\$ 86,115	\$ 2,609,348	\$ -	\$ 2,609,348
1102	Required Annual Debt Principal Payments	\$ 279,050	\$ -	\$ -	\$ 279,050	\$ -	\$ 279,050
1103	Beginning Equity	\$ 10,477,507	\$ -	\$ 230,569	\$ 10,708,076	\$ -	\$ 10,708,076
1119	Unit Months Available	2,875	-	-	2,875	-	2,875
1121	Unit Months Leased	2,873	-	-	2,873	-	2,873
1127	Excess Cash	\$ 718,898	\$ -	\$ -	\$ 718,898	\$ -	\$ 718,898
1162	Building Purchases	\$ 3,600,085	\$ -	\$ -	\$ 3,600,085	\$ -	\$ 3,600,085
1164	Furniture & Equipment - Admin Purchases	\$ 23,724	\$ -	\$ -	\$ 23,724	\$ -	\$ 23,724
13901	Replacement Housing Factor Funds	\$ 24,525	\$ -	\$ -	\$ 24,525	\$ -	\$ 24,525

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
BALANCE SHEET ACCOUNTS - PROJECTS

September 30, 2009

Line Item #	Account Description	Senator Circle LA090-000001	Bayou Towers LA090-000002	Project Totals
ASSETS:				
CURRENT ASSETS:				
Cash:				
111	Cash - Unrestricted	\$ -	\$ 192,513	\$ 192,513
114	Cash - Tenant Security Deposits	21,900	35,700	57,600
100	Total Cash	<u>21,900</u>	<u>228,213</u>	<u>250,113</u>
Accounts and Notes Receivables:				
122.2	Accounts Receivable - HUD Other Projects - Capital Fund	1,056,509	63,057	1,119,566
122	Accounts Receivable - HUD Other Projects	<u>1,056,509</u>	<u>63,057</u>	<u>1,119,566</u>
126	Accounts Receivable - Tenants - Dwelling Rents	13,630	933	14,563
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(10,739)	(354)	(11,093)
128	Fraud Recovery	4,060	-	4,060
128.1	Allowance for Doubtful Accounts - Fraud	(4,060)	-	(4,060)
129	Accrued Interest Receivable	462	455	917
120	Total Receivables, Net of Allowances for Doubtful Accounts	<u>1,059,862</u>	<u>64,091</u>	<u>1,123,953</u>
Current Investments:				
131	Investments - Unrestricted	195,208	192,398	387,606
142	Prepaid Expenses and Other Assets	95,126	31,023	126,149
144	Interprogram Due From	279	325,466	325,745
150	TOTAL CURRENT ASSETS	<u>1,372,375</u>	<u>841,191</u>	<u>2,213,566</u>
NONCURRENT ASSETS:				
Fixed Assets:				
161	Land	262,776	345,595	608,371
162	Buildings	19,827,496	17,697,359	37,524,855
163	Furniture, Equipment & Machinery - Dwellings	146,407	197,726	344,133
164	Furniture, Equipment & Machinery - Administration	255,341	226,002	481,343
166	Accumulated Depreciation	(12,151,167)	(13,058,212)	(25,209,379)
168	Infrastructure	158,280	127,648	285,928
160	Total Fixed Assets, Net of Accumulated Depreciation	<u>8,499,133</u>	<u>5,536,118</u>	<u>14,035,251</u>
180	TOTAL NONCURRENT ASSETS	<u>8,499,133</u>	<u>5,536,118</u>	<u>14,035,251</u>
190	TOTAL ASSETS	<u>\$ 9,871,508</u>	<u>\$ 6,377,309</u>	<u>\$ 16,248,817</u>

(continued)

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
BALANCE SHEET ACCOUNTS - PROJECTS - CONTINUED

September 30, 2009

Line Item #	Account Description	Senator Circle LA090-000001	Bayou Towers LA090-000002	TOTAL
LIABILITIES AND NET ASSETS:				
LIABILITIES:				
CURRENT LIABILITIES:				
312	Accounts Payable <= 90 Days	\$ 429,247	\$ 54,833	\$ 484,080
321	Accrued Wage/Payroll Taxes Payable	7,396	7,314	14,710
322	Accrued Compensated Absences - Current Portion	4,164	2,122	6,286
325	Accrued Interest Payable	255	1,223	1,478
341	Tenant Security Deposits	21,900	35,700	57,600
				-
342.1	Deferred Revenue - Operating Subsidy	1,762	5,724	7,486
342	Deferred Revenues	1,762	5,724	7,486
				-
343.2	Capital Projects/Mortgage Revenue	50,899	243,997	294,896
343	Current Portion of Long-Term Debt - Capital Projects	50,899	243,997	294,896
346	Accrued Liabilities - Other	-	5,830	5,830
347	Interprogram Due To	294,432	-	294,432
310	TOTAL CURRENT LIABILITIES	810,055	356,743	1,166,798
NONCURRENT LIABILITIES:				
351.2	Long-term - Capital Projects	371,093	1,778,923	2,150,016
351	Long-Term Debt - Capital Projects	371,093	1,778,923	2,150,016
354	Accrued Compensated Absences - Non Current	16,658	8,489	25,147
350	TOTAL NONCURRENT LIABILITIES	387,751	1,787,412	2,175,163
300	TOTAL LIABILITIES	1,197,806	2,144,155	3,341,961
NET ASSETS:				
Contributed Capital:				
508.1	Invested in Capital Assets, Net of Related Debt	8,077,141	3,513,198	11,590,339
Reserved Fund Balance:				
512.1	Unrestricted Net Assets	596,561	719,956	1,316,517
513	TOTAL NET ASSETS	8,673,702	4,233,154	12,906,856
600	TOTAL LIABILITIES AND NET ASSETS	\$ 9,871,508	\$ 6,377,309	\$ 16,248,817

FINANCIAL DATA SCHEDULE SUMMARY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS – PROJECTS

Line Item #	Account Description	Senator Circle LA 090-0000001			Bayou Towers LA 090-0000002		
		AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP
REVENUE:							
703	Net Tenant Rental Revenue	\$ 261,360	\$ 261,360	\$ -	\$ 385,456	\$ 385,456	\$ -
704	Tenant Revenue - Other	65,662	65,662	-	8,649	8,649	-
705	Total Tenant Revenue	327,022	327,022	-	394,105	394,105	-
706	HUD PHA Grants	2,244,352	791,354	1,452,998	2,498,470	878,002	1,620,468
706.1	Capital Grants	1,433,190	-	1,433,190	2,039,905	-	2,039,905
711	Investment Income - Unrestricted	7,165	7,165	-	7,267	7,267	-
714	Fraud Recovery	1,225	1,225	-	-	-	-
715	Other Revenue	11,979	11,979	-	25,555	25,555	-
716	Gain/Loss on Sale of Fixed Assets	(4,597)	(4,597)	-	(1,475)	(1,475)	-
700	TOTAL REVENUE	4,020,336	1,134,148	2,886,188	4,963,827	1,303,454	3,660,373
EXPENSES:							
Administrative:							
911	Administrative Salaries	44,152	44,152	-	53,159	53,159	-
912	Auditing Fees	14,546	14,546	-	13,645	13,645	-
913	Management Fee	177,119	112,223	64,896	216,115	155,268	60,847
913.1	Book-keeping Fee	19,515	19,515	-	27,000	27,000	-
915	Employee Benefit Contributions - Administrative	11,104	11,104	-	14,061	14,061	-
916	Other Operating - Administrative	25,415	25,415	-	29,082	29,082	-
917	Legal Expense	8,978	8,978	-	4,927	4,927	-
918	Travel	8,337	8,337	-	6,671	6,671	-
919	Other	5,946	5,946	-	5,311	5,311	-
910	Total Operating - Administrative	315,112	250,216	64,896	369,971	309,124	60,847
920	Asset Management Fee	26,040	26,040	-	36,000	36,000	-
Tenant Services:							
921	Tenant Services - Salaries	52,177	52,177	-	33,701	33,701	-
922	Relocation Costs	258	258	-	-	-	-
923	Employee Benefit Contributions - Tenant Services	19,469	19,469	-	9,699	9,699	-
924	Tenant Services - Other	3,079	3,079	-	3,596	3,596	-
925	Total Tenant Services	74,983	74,983	-	46,996	46,996	-
Utilities:							
931	Water	45,859	45,859	-	32,728	32,728	-
932	Electricity	155,053	155,053	-	195,668	195,668	-
933	Gas	38,507	38,507	-	16,699	16,699	-
936	Sewer	42,985	42,985	-	32,898	32,898	-
930	Total Utilities	282,404	282,404	-	277,993	277,993	-

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS - PROJECTS - CONTINUED

Year ended September 30, 2009

Line Item #	Account Description	Senator Circle LA 090-000001			Bayou Towers LA 090-000002		
		AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP
	Ordinary Maintenance & Operation:						
941	Ordinary Maintenance & Operation - Labor	117,881	117,881	-	107,904	107,904	-
942	Ordinary Maintenance & Operation - Materials & Other	33,962	33,962	-	56,020	56,020	-
943.1	Ordinary Maintenance & Operations Contracts - Garbage and Trash Removal	31,235	31,235	-	23,396	23,396	-
943.2	Ordinary Maintenance & Operations Contracts - Heating & Cooling	5,243	5,243	-	66,215	66,215	-
943.4	Ordinary Maintenance & Operations Contracts - Elevator Maintenance	-	-	-	37,921	37,921	-
943.5	Ordinary Maintenance & Operations Contracts - Landscape & Grounds	6,850	6,850	-	2,150	2,150	-
943.7	Ordinary Maintenance & Operations Contracts - Electrical	8,141	8,141	-	6,739	6,739	-
943.8	Ordinary Maintenance & Operations Contracts - Plumbing	6,929	6,929	-	11,319	11,319	-
943.9	Ordinary Maintenance & Operations Contracts - Janitorial	5,470	5,470	-	1,870	1,870	-
943.10	Ordinary Maintenance & Operations Contracts - Misc	-	-	-	3,425	3,425	-
943.12	Ordinary Maintenance & Operations Contracts - Misc	24,283	24,283	-	37,818	37,818	-
943	Ordinary Maintenance & Operations - Contracts	88,151	88,151	-	190,853	190,853	-
945	Employee Benefit Contributions - Ordinary Maintenance	38,396	38,396	-	30,692	30,692	-
940	Total Maintenance	278,390	278,390	-	385,469	385,469	-
	Protective Services:						
952	Protective Services - Other Contract Costs	-	-	-	49,485	49,485	-
950	Total Protective Services	-	-	-	49,485	49,485	-
	Insurance Premiums:						
961.1	Property Insurance	23,783	23,783	-	27,989	27,989	-
961.2	Liability Insurance	7,438	7,438	-	8,753	8,753	-
961.3	Workmen's Compensation	17,139	17,139	-	13,151	13,151	-
961.4	All Other Insurance	212,171	212,171	-	45,663	45,663	-
961	Total Insurance Premiums	260,531	260,531	-	95,556	95,556	-
	General Expenses:						
962	Other General Expenses	7,769	7,769	-	5,227	5,227	-
962.1	Compensated absences	46,895	46,895	-	24,036	24,036	-
964	Bad Debt - Tenant Rents	16,110	16,110	-	3,738	3,738	-
960	Total Other General Expenses	70,774	70,774	-	33,001	33,001	-
	Interest Expense and Amortization Cost:						
967.1	Interest of Mortgage (or Bonds) Payable	24,847	24,847	-	119,112	119,112	-
967	Total Interest Expense and Amortization Cost	24,847	24,847	-	119,112	119,112	-
969	TOTAL OPERATING EXPENSES	1,333,081	1,258,185	64,896	1,413,583	1,352,736	60,847
							2,746,664

(continued)

Houma-Terrebonne Housing Authority

FINANCIAL DATA SCHEDULE SUMMARY
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS - PROJECTS - CONTINUED

Year ended September 30, 2009

Line Item #	Account Description	Senator Circle LA 090-000001			Bayou Towers LA 090-000002		
		AMP Total	Low Rent 14,850	CFP 14,872	AMP Total	Low Rent 14,850	CFP 14,872
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	2,687,255	(134,037)	2,821,292	3,550,244	(49,282)	3,599,526
							6,237,499
	Other Expenses:						
974	Depreciation Expense	702,302	630,599	71,703	464,055	379,694	84,361
940	Total Maintenance	702,302	630,599	71,703	464,055	379,694	84,361
							1,166,357
900	TOTAL EXPENSES	2,035,383	1,898,784	136,599	1,877,638	1,732,430	145,208
							3,913,021
	Other Financing Sources (Uses)						
1001	Operating Transfers In	1,388,102	1,388,102	-	1,559,621	1,559,621	-
1002	Operating Transfers Out	(1,388,102)	-	(1,388,102)	(1,559,621)	-	(1,559,621)
1007	Extraordinary Items (net gain/loss)	(1,023,643)	(1,023,643)	-	(1,618,150)	(1,618,150)	-
1010	Total Other Financing Sources (Uses)	(1,023,643)	364,459	(1,388,102)	(1,618,150)	(58,529)	(1,559,621)
							(2,641,793)
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 961,310	\$ (400,177)	\$ 1,361,487	\$ 1,468,039	\$ (487,505)	\$ 1,955,544
		\$ 48,164			\$ 230,886		\$ 279,050
1102	Required Annual Debt Principal Payments	\$ 7,712,392	\$ 6,797,896	\$ 914,496	\$ 2,765,115	\$ 2,200,009	\$ 565,106
1103	Beginning Equity						\$ 10,477,507
1104 7	CFP 2004 equity transfer	\$ -	\$ 422,675	\$ (422,675)	\$ -	\$ 323,874	\$ (323,874)
1104 8	CFP 2005 RHF equity transfer	-	93,365	(93,365)	-	-	-
1104 9	CFP 2006 RHF equity transfer	-	98,421	(98,421)	-	-	-
1104	Prior Period Adjustments, Equity Transfers, and Correction of Errors	\$ -	\$ 614,461	\$ (614,461)	\$ -	\$ 323,874	\$ (323,874)
							\$ -
1119	Unit Months Available	1,349	1,349	-	1,526	1,526	-
1121	Unit Months Leased	1,347	1,347	-	1,526	1,526	-
							2,875
1127	Excess Cash	\$ 351,512	\$ 361,512	\$ -	\$ 357,386	\$ 357,386	\$ -
							\$ 718,898
1162	Building Purchases	\$ 1,564,964	\$ 150,714	\$ 1,414,250	\$ 2,035,121	\$ -	\$ 2,035,121
1164	Furniture & Equipment - Admin Purchases	\$ 18,940	\$ -	\$ 18,940	\$ 4,784	\$ -	\$ 4,784
13901	Replacement Housing Factor Funds	\$ 24,525	\$ -	\$ 24,525	\$ -	\$ -	\$ -
							\$ 23,724
							\$ 24,525

Houma-Terrebonne Housing Authority
FINANCIAL DATA SCHEDULE SUMMARY
BALANCE SHEET ACCOUNTS - PROGRAMS

September 30, 2009

Line Item #	Account Description	Business Activities	FEMA Public Assistance Grant 97 036	Program Totals
ASSETS:				
CURRENT ASSETS:				
Accounts and Notes Receivables:				
124	Accounts Receivable - Other Government	\$ -	\$ 31,313	\$ 31,313
120	Total Receivables, Net of Allowances for Doubtful Accounts	-	31,313	31,313
Current Investments:				
150	TOTAL CURRENT ASSETS	-	31,313	31,313
NONCURRENT ASSETS:				
Fixed Assets:				
162	Buildings	75,000	44,250	119,250
166	Accumulated Depreciation	(1,136)	(2,950)	(4,086)
160	Total Fixed Assets, Net of Accumulated Depreciation	73,864	41,300	115,164
180	TOTAL NONCURRENT ASSETS	73,864	41,300	115,164
190	TOTAL ASSETS	\$ 73,864	\$ 72,613	\$ 146,477
LIABILITIES AND NET ASSETS:				
LIABILITIES:				
CURRENT LIABILITIES:				
312	Accounts Payable <= 90 Days	\$ 233	\$ -	\$ 233
347	Interprogram Due To	21,047	31,313	52,360
310	TOTAL CURRENT LIABILITIES	21,280	31,313	52,593
NONCURRENT LIABILITIES:				
300	TOTAL LIABILITIES	21,280	31,313	52,593
NET ASSETS:				
Contributed Capital:				
508.1	Invested in Capital Assets, Net of Related Debt	73,864	41,300	115,164
Reserved Fund Balance:				
512.1	Unrestricted Net Assets	(21,280)	-	(21,280)
513	TOTAL NET ASSETS	52,584	41,300	93,884
600	TOTAL LIABILITIES AND NET ASSETS	\$ 73,864	\$ 72,613	\$ 146,477

Houma-Terrebonne Housing Authority

STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS ACCOUNTS - PROGRAMS

Year ended September 30, 2009

Line Item #	Account Description	Business Activities	FEMA Public Assistance Grant 97.036	Program Totals
REVENUE:				
708	Other Governmental Grants	-	354,360	354,360
700	TOTAL REVENUE	-	354,360	354,360
Line Item #	Account Description	Business Activities	FEMA Public Assistance Grant 97.036	Program Totals
EXPENSES:				
Administrative				
917	Legal Expense	500	-	500
910	Total Operating - Administrative	500	-	500
Ordinary Maintenance & Operation:				
941	Ordinary Maintenance & Operation - Labor	444	-	444
942	Ordinary Maintenance & Operation - Materials & Other	283	-	283
943.7	Ordinary Maintenance & Operations Contracts - Electrical	458	-	458
943.9	Ordinary Maintenance & Operations Contracts - Extermination	90	-	90
943.12	Ordinary Maintenance & Operations Contracts - Misc Contracts	19,327	-	19,327
943	Ordinary Maintenance & Operations - Contracts	19,875	-	19,875
945	Employee Benefit Contributions - Ordinary Maintenance	35	-	35
940	Total Maintenance	20,637	-	20,637
General Expenses:				
962	Other General Expenses	143	-	143
960	Total Other General Expenses	143	-	143
969	TOTAL OPERATING EXPENSES	21,280	-	21,280
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	(21,280)	354,360	333,080
Other Expenses:				
974	Depreciation Expense	1,136	2,950	4,086
940	Total Maintenance	1,136	2,950	4,086
900	TOTAL EXPENSES	22,416	2,950	25,366
Other Financing Sources (Uses)				
1007	Extraordinary Items (net gain/loss)	-	(310,110)	(310,110)
1008	Special Items (net gain/loss)	75,000	-	75,000
1010	Total Other Financing Sources (Uses)	75,000	(310,110)	(235,110)
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ 52,584	\$ 41,300	\$ 93,884
1103	Beginning Equity	\$ -	\$ -	\$ -

Houma-Terrebonne Housing Authority

SCHEDULE OF EXPENDITURES OF FEDERAL FINANCIAL AWARDS

Year ended September 30, 2009

	<u>Type</u>	<u>Federal CFDA #</u>	<u>Expenditures</u>
DIRECT AWARDS			
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:			
Public Housing:			
Operating Subsidy	A - Major	14.850	\$ 1,669,356
Capital Fund program	A - Major	14.872	6,546,561
U.S. DEPARTMENT OF HOMELAND SECURITY			
Public Assistance Grants	A - Major	97.036	354,360
TOTAL DIRECT AWARDS			<u>\$ 8,570,277</u>
TOTAL FEDERAL AWARDS			<u>\$ 8,570,277</u>

*Note: The accompanying schedule of expenditures of federal awards includes the federal grant activity for Houma-Terrebonne Housing Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Houma-Terrebonne Housing Authority

PUBLIC HOUSING BUDGET VS. ACTUAL COMPARISON

Year ended September 30, 2009

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:			
Net tenant rental revenue	\$ 648,050	\$ 646,816	\$ (1,234)
HUD PHA grants	4,869,900	4,742,822	(127,078)
HUD capital grants	3,750,000	3,473,095	(276,905)
Investment income - unrestricted	7,930	14,432	6,502
Investment income - restricted	-	-	-
Gain or loss on sale of fixed assets	-	(6,072)	(6,072)
Other revenue	1,334,950	113,070	(1,221,880)
TOTAL REVENUES	10,610,830	8,984,163	(1,626,667)
OPERATING EXPENSES:			
Administrative	713,500	685,083	28,417
Asset management fees	62,040	62,040	-
Tenant services	151,220	121,979	29,241
Utilities	570,480	560,397	10,083
Ordinary maintenance and operation	726,550	663,859	62,691
Protective services	39,200	49,485	(10,285)
Insurance	358,860	356,087	2,773
General expenses	1,265,400	103,775	1,161,625
Extraordinary maintenance	2,495,190	2,641,793	(146,603)
Casualty loss - non-capitalized	-	-	-
Capital expenditures	3,750,000	3,489,055	260,945
TOTAL OPERATING EXPENSES BEFORE DEPRECIATION	10,132,440	8,733,553	1,398,887
NET OPERATING INCOME BEFORE DEPRECIATION	\$ 478,390	250,610	\$ (227,780)
DEPRECIATION EXPENSE NOT BUDGETED		1,171,429	
NET OPERATING LOSS AFTER DEPRECIATION		\$ (920,819)	

Houma-Terrebonne Housing Authority

SCHEDULE OF CAPITAL FUND COSTS - UNCOMPLETED

Year ended September 30, 2009

GRANT NUMBER	LA48P090501-06	LA48P090501-07	LA48P090501-08	LA48D090501-08
PROGRAM	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2008 (Disaster)</u>
Funds approved	\$ 862,595	\$ 814,911	\$ 885,059	\$ 3,682,803
Funds expended	<u>862,595</u>	<u>814,911</u>	<u>885,059</u>	<u>3,682,803</u>
Excess of funds approved	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funds advanced	\$ 652,243	\$ 316,612	\$ 740,059	\$ 3,416,888
Funds expended	<u>862,595</u>	<u>814,911</u>	<u>885,059</u>	<u>3,682,803</u>
Excess funds advanced (expended)	<u>\$ (210,352)</u>	<u>\$ (498,299)</u>	<u>\$ (145,000)</u>	<u>\$ (265,915)</u>

Houma-Terrebonne Housing Authority

CERTIFICATION OF ACTUAL MODERNIZATION COSTS AND ADVANCES -
CAPITAL FUND PROGRAM

Year ended September 30, 2009

GRANT NUMBER	LA48P090501-05	LA48R090501-07	LA48R090501-08
PROGRAM	2005	2007 (RHF)	2008 (RHF)
BUDGET	<u>\$ 866,957</u>	<u>\$ 100,490</u>	<u>\$ 109,562</u>
Advances	\$ 866,957	\$ 100,490	\$ 109,562
Program Income - Interest	<u>-</u>	<u>-</u>	<u>-</u>
	866,957	100,490	109,562
Costs	<u>866,957</u>	<u>100,490</u>	<u>109,562</u>
Excess/(Deficiency) of Advances Due To/ (From) HUD	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
The Actual Modernization Cost Certificate is in agreement with the Authority's records	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
All modernization work in connection with the grant have been completed	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
All liabilities have been paid and there are no undischarged mechanics', laborers' contractors' or material-men's liens against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>
There were no budget overruns.	<u>Yes</u>	<u>Yes</u>	<u>Yes</u>



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March 22, 2010

Board of Commissioners
Houma Terrebonne Housing Authority
7491 Park Avenue
Houma, Louisiana 70364

To the Board

In planning and performing our audit of the financial statements of Houma-Terrebonne Housing Authority as of and for the year ended September 30, 2009, in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards issued by the Comptroller General of the United States, we considered Houma-Terrebonne Housing Authority's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control that we consider less serious than significant deficiencies, as defined above, but that we believe to be of potential benefit to the client in improving operational and administrative efficiency and for improving internal control:



**Reznick
Group**

ACCOUNTING • TAX • BUSINESS ADVISORY

Board of Commissioners

March 22, 2010

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- 1) Yardi accounting software only requires user passwords to be resent once annually, while network passwords are not required to be reset. This increases the possibility of passwords being compromised, which may allow unauthorized access to network and accounting software. The Authority should required passwords to be changed periodically.

This communication is intended solely for the information and use of management, the board of commissioners, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Reznick Group, P.C.

Reznick Group, P.C.
Charlotte, North Carolina